

**Before the
Federal Communications Committee
Washington, DC 20554**

In the Matter of)	
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Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	
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Reply Comments of the American Association of School Administrators

The American Association of School Administrators (AASA) submits these comments in response to Notice of Proposed Rule Making released on January 25, 2002. AASA filed its original comments on April 5, 2002. The Universal Service Program for Schools and Libraries, more commonly referred to as the E-Rate, has been crucial to increasing Internet access in public schools across America, in urban and rural and most of all, in high poverty areas. However, with the pattern that has developed over the past several years, it is clear that the demand for the program has dramatically outstrips the funding available. Applicants are unlikely to have their funding requests fully funded, if they are funded at all. AASA continues to support any efforts made to increase the funding supply for this program, including the raising of the cap from \$2.25 billion.

The American Association of School Administrators is the professional organization for more than 18,000 educational leaders across the United States. Founded in 1865, members of AASA include superintendents of schools and other central office administrators, building level administrators (principals), college and university administrators and professors, and administrators from other local, regional, state and national educational agencies.

Within our reply comments on NPRM (FCC 02-6) we would make a technical correction from our initial comments as it relates to the 30% rule and reply to the concept of state funding caps and coverage of state administrative costs.

1) Technical Correction to Initial Comments on 30% Rule.

In our initial comments, AASA explained how the 30% rule may often work against first time applicants. Most often savvy districts that have applied in the past know to file separate applications for each of their requested services. That way if one of their services is determined ineligible, their entire application would not be held up. This way those districts are rarely held up by the 30 percent rule. For the new applicants and smaller districts, their confusion over what is an eligible service often hinders them in the application process. AASA believes the 30 percent rule should be altered because of the current capricious nature of the eligible services list.

In our initial comments, we mistakenly offered to change the 30% trigger to 20%. We would like to correct that change and raise the 30% trigger to 40%. This would help aid those first time and other less sophisticated applicants receive their eligible services. It would increase the threshold for applications and ensure that schools and libraries that should be funded will be funded for their eligible services.

2) State Funding Cap

In the initial and reply comments of the Florida Public Service Commission, they bring forward the idea of altering the distribution of the E-Rate discounts through a state funding cap. AASA strongly opposes this notion. The E-Rate program is designed to send discounts for eligible services based on poverty. For Year 5, it is initially thought that internal connections will not reach below the 90% level due to the high level of demand for services. If a state funding cap was inserted into the current matrix, it is uncertain that the discounts would flow to the highest poverty entities in the country. It is possible that while one state may not be able to fund all of its 90% discounts, another state may be able to provide funding all the way down to the 70% level. This would work against the fundamental principal in the E-Rate program, targeting to poverty.

AASA urges that USAC maintain the administrative role of distribution of the dollars directly to the entities remain. It is often a complicated process, but the Administrator

has worked very hard to streamline the system. If the system of distribution were to be replaced by 50 separate systems in 50 states, it would easily confuse the different applicants. While the Florida Public Commission calls for USAC to maintain administrative power over E-Rate, USAC would still have to abide by the individual state funding caps, making the entire process more administratively burdensome. AASA strongly believes that this change would have an adverse affect on the E-Rate program as a whole and delay the distribution of the funding commitments.

3) State Administrative Burden

While AASA acknowledges the efforts made by certain states to encourage eligible entities to submit applications, we strongly object that E-Rate dollars should flow to states to cover administrative burden. In the Council of Chief State School Officers initial comments, they describe the amount the dollars and burden that states are responsible for due to the E-Rate program. AASA opposes the reimbursement of activities already required in other laws. For instance, the review and approval of technology plans is already required under the Elementary and Secondary Education Act (ESEA). This was recently reauthorized and contains stronger language in the area of state and local technology plans. Approval of these plans for the E-Rate program will not significantly increase their burden over their requirements within ESEA.

With E-Rate demand constantly outstripping the amount of discounts available, AASA remains cautious about diverting needed resources away from the eligible entities themselves. By shrinking the pool through withdrawal of administrative costs, the FCC would be reducing the amount of dollars available to schools and libraries.

In summary, AASA continues to support the great strides the E-Rate program has made in connecting America's classrooms to the Internet and working to reduce the digital divide. We urge the Commission to maintain the fundamental purposes of the program as a goal in any decisions that will be made. We welcome the opportunity to respond initial comments as the Commission considers changes in the universal service support mechanism for schools and libraries.

Respectfully Submitted,

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